GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:653
ANSWERED ON:07.08.2013
POVERTY ESTIMATES OF STATES AND CENTRE
Chanabasappa Shri Udasi Shivkumar

Will the Minister of PLANNING be pleased to state:

(a) whether the poverty estimate of the Planning Commission for each State has always been at variance with the States list of beneficiaries

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government proposes to conduct a new survey to revise poverty list;

(d) if so, the details thereof;

(e) the norms/criteria followed by the States to identify the beneficiaries; and

(f) the corrective measures taken by the Government in this regard?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS AND PLANNING (SHRI RAJEEV SHUKLA)

(a) & (b): The Planning Commission estimates poverty at National and State level from the Large Sample Surveys on Household Consumer Expenditure carried out by the National Sample Survey Office (NSSO) and exogenously determined poverty line. The NSSO consumer expenditure surveys are normally conducted on quinquennial basis. The latest data of Large Sample Survey on household consumer expenditure has been collected by NSSO in its 68th round conducted in 2011-12. The Planning Commission defines poverty line on the basis of Monthly Per Capita Consumption Expenditure (MPCE) as the criterion. Based on these, the Planning Commission has estimated poverty ratio in the country as 21.9 per cent in 2011-12. The Planning Commission does not prepare the list of beneficiaries in the States. These are made by the concerned State Governments.

(c) & (d): The Planning Commission, in June 2012, has constituted an Expert Group under the Chairmanship of Dr. C. Rangarajan to "Review the Methodology for Measurement of Poverty". The Terms of Reference of the Group are as follows:

i. To comprehensively review the existing methodology of estimation of poverty and examine whether the poverty line should be fixed solely in terms of a consumption basket or whether other criteria are also relevant, and if so, whether the two can be effectively combined to evolve a basis for estimation of poverty in rural and urban areas.

ii. To examine the issue of divergence between consumption estimates based on the NSSO methodology and those emerging from the National Accounts aggregates; and to suggest a methodology for updating consumption poverty lines using the new consumer price indices launched by the CSO for rural and urban areas state-wise.

iii. To review alternative methods of estimation of poverty which may be in use in other countries, including their procedural aspects; and indicate whether on this basis, a particular method can be evolved for empirical estimation of poverty in India, including procedures for updating it over time and across states.

iv. To recommend how the estimates of poverty, as evolved above, should be linked to eligibility and entitlements for schemes and programmes under the Government of India.

(e) & (f): In rural areas, the beneficiaries are identified by the concerned State Governments through a complete door-to-door enumeration of the households, known as BPL (below poverty line) Census. The BPL Census in rural areas was conducted in 2002 based on the methodology of Score Based Ranking of rural households for which 13 socio-economic parameters were used, each parameter having a score between 0-4. The 13 socio-economic indicators used for the score based ranking of the rural households are:

(i) Size group of Operational holding of land

(ii) Type of House

(iii) Clothing

(iv) Food Security

(v) Sanitation

(vi) Ownership of Consumer Durables

(vii) Literacy Status of the highest literate adult

(viii) Status of the Household Labour Force

(ix) Means of Livelihood

(x) Children's status

(xi) Type of Indebtedness

(xii) Migration

(xiii) Preference of Assistance

In urban areas, the target population under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is those living below the poverty line as defined by the Planning Commission. In the selection of beneficiary under this programme, top priority is given to the poorest of the poor. Seven noneconomic parameters are also considered for identifying beneficiary for income generating special loans under this scheme. These relate to living conditions, comprising the following attributes: (i) Roof of Dwelling Unit, (ii) Floor of Dwelling Unit, (iii) Access to Water, (iv) Access to Sanitation, (v) Education level (vi) Type of Employment, and (vii)Status of Children in Household.